



**State of Utah**  
**Department of**  
**Natural Resources**

MICHAEL R. STYLER  
*Executive Director*

**Division of**  
**Oil, Gas & Mining**

JOHN R. BAZA  
*Division Director*

JON M. HUNTSMAN, JR.  
*Governor*

GARY R. HERBERT  
*Lieutenant Governor*

**Representatives Present During the Inspection:**

Company	Vicky S. Miller	Environmental Specialist
OGM	Pete Hess	Environmental Scientist III

# Inspection Report

Permit Number:	C0070039
Inspection Type:	PARTIAL
Inspection Date:	Tuesday, March 18, 2008
Start Date/Time:	3/18/2008 7:45:00 AM
End Date/Time:	3/18/2008 9:55:00 AM
Last Inspection:	Tuesday, February 26, 2008

Inspector: Pete Hess, Environmental Scientist III

Weather: clear, cold; 30's F.

InspectionID Report Number: 1586

Accepted by: Jhefric *JK*

4/10/2008

Permittee: **CANYON FUEL COMPANY LLC**

Operator: **CANYON FUEL COMPANY LLC**

Site: **DUGOUT CANYON MINE**

Address: **PO BOX 1029, WELLINGTON UT 84542**

County: **CARBON**

Permit Type: **PERMANENT COAL PROGRAM**

Permit Status: **ACTIVE**

**Current Acreages**

9,471.00	<b>Total Permitted</b>
51.10	<b>Total Disturbed</b>
	<b>Phase I</b>
	<b>Phase II</b>
	<b>Phase III</b>

**Mineral Ownership**

- ☒ Federal  
☒ State  
☐ County  
☒ Fee  
☐ Other

**Types of Operations**

- ☒ Underground  
☐ Surface  
☐ Loadout  
☐ Processing  
☐ Reprocessing

**Report summary and status for pending enforcement actions, permit conditions, Division Orders, and amendments:**

The Permittee notified the Division on March 10, 2008 that the fourth quarter of 2007 surface and ground water monitoring information for the Dugout Canyon Mine permit area had been inserted into the EDI pipeline and was acceptable for uploading into the permanent data base. The Permittee continues to meet this requirement which is a Special Condition of the current State permit (Attachment "A").

There are no pending compliance actions for this site.

Most of the snowpack on the Dugout Canyon Mine surface facilities has melted off. The access road above the Gilson Well remains impassable due to snow depth.

Inspector's Signature: \_\_\_\_\_

*Pete Hess*

Pete Hess, Environmental Scientist III

Inspector ID Number: 46

Date

Tuesday, March 18, 2008

**Note:** This inspection report does not constitute an affidavit of compliance with the regulatory program of the Division of Oil, Gas and Mining.

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**REVIEW OF PERMIT, PERFORMANCE STANDARDS PERMIT CONDITION REQUIREMENTS**

1. Substantiate the elements on this inspection by checking the appropriate performance standard.
  - a. For COMPLETE inspections provide narrative justification for any elements not fully inspected unless element is not appropriate to the site, in which case check Not Applicable.
  - b. For PARTIAL inspections check only the elements evaluated.
2. Document any noncompliance situation by reference the NOV issued at the appropriate performance standard listed below.
3. Reference any narratives written in conjunction with this inspection at the appropriate performance standard listed below.
4. Provide a brief status report for all pending enforcement actions, permit conditions, Divison Orders, and amendments.

	Evaluated	Not Applicable	Comment	Enforcement
1. Permits, Change, Transfer, Renewal, Sale	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Signs and Markers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Topsoil	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.a Hydrologic Balance: Diversions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.b Hydrologic Balance: Sediment Ponds and Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.c Hydrologic Balance: Other Sediment Control Measures	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
4.d Hydrologic Balance: Water Monitoring	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4.e Hydrologic Balance: Effluent Limitations	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. Explosives	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Disposal of Excess Spoil, Fills, Benches	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Coal Mine Waste, Refuse Piles, Impoundments	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
8. Noncoal Waste	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9. Protection of Fish, Wildlife and Related Environmental Issues	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
10. Slides and Other Damage	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Contemporaneous Reclamation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12. Backfilling And Grading	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13. Revegetation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14. Subsidence Control	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15. Cessation of Operations	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.a Roads: Construction, Maintenance, Surfacing	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16.b Roads: Drainage Controls	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17. Other Transportation Facilities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18. Support Facilities, Utility Installations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19. AVS Check	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20. Air Quality Permit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21. Bonding and Insurance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22. Other	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

### **3. Topsoil**

The topsoil storage piles for the Soldier Canyon and Dugout Canyon Mine facilities have melted off, with the exception of some snow on the north slopes. The fenced perimeter appears in good repair; all runoff controls are in place and appear to be functioning as designed.

#### **4.a Hydrologic Balance: Diversions**

The Permittee has initiated spring cleanup and maintenance procedures for the sites ditches and culvert inlets/outlets and drop grates. The ditch which passes in front of the secondary substation needed minor maintenance to remove cutbank debris from the freeze / thaw cycle. All other diversions which were inspected (some remain snow covered) appeared capable of functioning as designed.

#### **4.b Hydrologic Balance: Sediment Ponds and Impoundments**

Both the Mine site sediment pond and the waste rock site pond contained water with frozen surfaces. Both impounded volumes were well below the discharge elevation. There were no compliance issues noted.

#### **4.c Hydrologic Balance: Other Sediment Control Measures**

Ditches on the east side of the Canyon and the sediment traps associated with them contain frozen snow and ice. Melt water is being directed to the Mine site pond as depicted in the approved mine site drainage control plan.

### **7. Coal Mine Waste, Refuse Piles, Impoundments**

Recently placed volumes of coal processing waste have been spread on the active lift, but are still being compacted. The dozer was idle during today's inspection. There was no non-coal waste visible in the material. There were no indications of spontaneous combustion.

### **9. Protection of Fish, Wildlife and Related Environmental Issues**

Bald eagles were noted in two locations along the Nine Mile Canyon road. Both birds were gathering carrion from the road.

### **22. Other**

A length of 2 inch black plastic pipe was observed on the old exploration road immediately below the impounding embankment of the Mine site sediment pond. The Permittee was asked to remove this pipe and store it inside the Mine facilities area.